

In the Claims:

Please cancel claim 90 without prejudice.

1. (Currently amended) A method of distributing digital source material comprising:

~~[encoding digital source material to steganographically convey plural-bit auxiliary data];~~

passing ~~[the]~~ encoded source material to a destination through at least one intervening ~~[computer]~~ steganographic decoder, the encoded source material comprising plural-bit auxiliary data steganographically embedded in the digital source material, the digital source material including data representing visual or audio information that is perceptible when output from a device, and the visual or audio information including modifications to embed the plural-bit auxiliary data that are imperceptible to a user;

at said intervening ~~[computer]~~ steganographic decoder, detecting encoded source material transmitted thereby; and

crediting a payment in response to said detection of the encoded source material, in accordance with the plural-bit auxiliary data steganographically conveyed by the encoded source material.

2. (Original) The method of claim 1 which includes decoding plural-bit auxiliary data only from source material that has first been tested to indicate the likely presence of such auxiliary data therein.

3. (Original) The method of claim 2 which includes testing source material by reference to an encoding attribute that is supplemental to said encoded plural-bit auxiliary data.

4. (Original) The method of claim 3 in which said attribute is the presence of a characteristic signature signal conveyed by said source material.

5. (Original) The method of claim 4 in which the signature signal is a repetitive noise burst signal.

6. (Currently amended) The method of claim 1 in which said ~~transmitting~~ passing includes distributing through a network of interconnected computers.

7. (Original) The method of claim 1 reporting said detection to a location remote from detection; and  
crediting royalties based on detection.

8. (Currently amended) A method comprising:  
presenting audio source material to a consumer, the material being encoded steganographically to convey plural-bit auxiliary data, the audio source material including audio information that is perceptible when output from a device, the audio information including modifications to embed the plural-bit auxiliary data that are imperceptible to the consumer;  
decoding the audio source material that is presented to the consumer to decode the auxiliary data therefrom; and  
using the plural-bit auxiliary data to retrieve information about the source material from a remote location.

9. (Original) The method of claim 8 that includes:  
storing data indicating the audio source material(s) presented to the consumer;  
generating a report based on the stored data, indicating the audio source material(s) presented to the consumer.

10. (Original) The method of claim 8 which includes detecting the presented audio source material with a microphone, and decoding the auxiliary data from a microphone output signal.

11. (Currently amended) A method comprising:

receiving an object steganographically encoded with plural-bit auxiliary data, the digital object including perceptible visual or audio information with imperceptible modifications that have been made to encode the plural-bit auxiliary data in the visual or audio information of the object;

decoding the plural-bit auxiliary data from the object;

consulting a registry to determine [~~a proprietor of the object~~] a transaction associated with the object, by reference to said decoded plural-bit auxiliary data;

and

making a payment in accordance with the transaction [~~to said proprietor~~].

12. (Original) The method of claim 11 that includes making said payment through the registry.

13. (Original) The method of claim 11 in which the object is a work of authorship, and the encoding adds a generally imperceptible level of noise to the object as it is perceived by a consumer thereof.

14. (Original) The method of claim 11 in which the registry comprises a database accessible through the internet.

15-25 Cancelled

26. (Currently amended) A method of altering music data to steganographically insert plural bits of watermark data therein, characterized by steganographically inserting at least a first group of said bits for benefit of an end-user of the music data by imperceptibly altering perceptible attributes of the music data, inserting a second group of bits different than the first for benefit of an artist whose music is encoded by said music data, [~~and~~] inserting a third group of bits different than the first two for benefit of a distributor of the music data, and storing in a registry accessible to the end user an association between information about the music data and at least a portion of the plural bits.

27. (Currently amended) The method of claim 26 ~~(in which)~~ including storing in the registry an association between the first group of bits ~~[represents]~~ and an internet address of a web site [that may be accessed] accessible by end-users of the music data, the registry providing the web site address in response to receiving at least the first group of bits.

28. (Original) The method of claim 26 in which the second group of bits includes bits representing a unique identifier for the music data, permitting machine identification of the data and royalty credit to the artist.

29. (Original) The method of claim 26 in which the third group of bits represents usage restrictions to which audio appliances are responsive, thereby driving distribution of additional copies of the music data.

30-90 Cancelled

91. (New) The method of claim 1 wherein the payment is credited for entertainment content provided to the user in response to processing at least a portion of the plural bit auxiliary data.

92. (New) The method of claim 91 wherein the entertainment content is different from the encoded source material and is provided from a location remote from the steganographic decoder.

93. (New) The method of claim 8 wherein at least a portion of the plural bits are used to obtain an address of a web site related to the audio source material, and at least a portion of the plural bits are used to identify the audio source material.

94. (New) The method of claim 11 wherein the transaction comprises providing content related to the object to a user, and the payment comprises payment associated with providing the content related to the object to the user.